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Biotechnology

Government Releases HSNO Discussion Document 2002

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Report Highlights: The NZ Ministry for the Environment has released a discussion document seeking public response to issues relating to the release of genetically modified organisms (GMOs). A prominent pro-GM organization has expressed concern that the document raises issues which anti-GM groups will use to achieve regulations that will stifle the development of a NZ biotechnology industry.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Wellington [NZ1], NZ

The Environment Minister, Marian Hobbs, released this week a discussion document for the purpose of enabling the Government to improve the operation of the Hazardous Substances and New Organisms (HSNO) Act (see note **I** below). The document requests public comments on the proposed changes to the main New Zealand legislation controlling new organisms, including genetically modified organisms (GMOs) – the HSNO Act 1996. The Ministry for the Environment is seeking to advance its policy development through public feedback to ensure that policy is developed and put in place before the moratorium on the release of genetically modified organisms expires in October 2003.

While the Royal Commission on Genetic Modification (see note **I** below) reported in July 2001 that the basic regulatory framework for genetic modification in New Zealand is appropriate, the discussion document allows feedback until November 15, 2002, on ways to further enhance the regulations and the operation of the HSNO Act. Ministry officials have been instructed to assess the public's response to the discussion paper with the goal of formulating a policy platform which will be introduced as proposed legislation to Parliament before the moratorium expires in 2003. The discussion document covers the following areas:

- Allowing the Minister for the Environment to assess applications for HSNO approval on the basis of ethical and spiritual matters.
- Creating a category of conditional release which will serve as an interim stage of release between field trials and full commercial release.
- The document sets out the issues and options that need to be considered. This includes issues related to liability for possible adverse effects from GMOs.
- Issues surrounding the co-existence between GM-based and organics-based production systems.

The Government has made it clear that it will not propose legislation to further extend the moratorium on the release of GMOs beyond October 2003. This statement does not necessarily mean that the commercial release of GMOs will be permitted immediately following the termination of the moratorium after October 2003. The Life Sciences Network (LSN, see note **D** below) cautions that the discussion document raises controversial questions which could potentially lead to the implementation of regulations under the HSNO Act that significantly tighten compliance requirements for applications for the release of GMOs. The Government is following the Royal Commission's recommendations to 'proceed with caution' in implementing regulations for the release of GMOs. However, the discussion which will ensue from the Ministry's document could serve as an anti-GM platform. The liabilities and coexistence (between organic and GM crops) issues may prove negative to pro-GM interests. Depending on how effectively an anti-GM lobby can voice its opinions, the effect could be that the resulting regulations for the release of GMOs will stifle biotechnology research in New Zealand, despite a recent approval for a GM trial.

A special select committee established by the Environmental Risk Management Authority (ERMA, see note **I** below) has approved, with controls and in modified form, an application from AgResearch Ltd. (see note **N** below) to develop transgenic cattle that can produce functional therapeutic foreign proteins in their milk and to study gene function and genetic performance in the test animals. The donor genes for this research will be sourced from humans, mice, cattle, sheep and goats. The permitted duration of the trial has been set for 7 and a half years by ERMA which is the minimum period needed to carry out

the research. GE-Free New Zealand (see note Ò below) has publicly protested that ERMA failed to adequately study the economic and environmental risks, alternative research methods and containment, or cultural and ethical issues related to the GM cattle trial. A spokesperson for GE-Free New Zealand stated that the ERMA decision is likely to be subjected to legal challenge.

The approval for the GM-cattle trial and the reaction of anti-GM groups to ERMA's decision highlight the changed environment that prevails in which the Government's discussion document has been released. With the biotechnology industry's and the anti-GM lobby's concerns over environmental/economic liability and regulatory issues related to co-existence between GM and organic crop production systems, it is far from clear what policies the Government will eventually adopt and how a New Zealand biotechnology research community will fare in the long-run. The LSN has voiced its concern that anti-GM lobby groups will be successful in promoting the adoption by the Government of policies that may make compliance with HSNO regulations unfeasible. In sum, the lifting of the moratorium in October 2003 may not allow GMOs and biotechnology research to become a common sight in the New Zealand landscape.

Notes

Î Environmental Risk Management Authority New Zealand (ERMA)

ERMA controls the introduction of new plants and animals, including genetically modified organisms (GMOs), and new and existing hazardous substances to New Zealand. ERMA was established under the Hazardous Substances and New Organisms (HSNO) Act 1996. The Authority is the decision making body and consists of up to eight members appointed by the Minister for the Environment.

Ī Royal Commission on Genetic Modification

The Royal Commission on Genetic Modification was established by the Government on May 8, 2000, to look into and report on issues surrounding genetic modification in New Zealand. It reported its recommendations on July 27, 2001.

Ð Life Sciences Network (LSN)

LSN is a non-profit society (organization) which works to responsibly promote the spread of biotechnology.

Ñ AgResearch

AgResearch is an independent, Government-owned research and development company which was established under the Crown Research Institute (CRI) Act 1992.

Ò GE Free New Zealand

GE Free New Zealand is a non-profit organization seeking to make the New Zealand environment and food free of genetically engineered organisms.